

ELECTRICITY EXPORT AUTHORIZATION
WASHINGTON WATER POWER COMPANY

ORDER NO. EA-101-A

BACKGROUND

On May 12, 1995, the Washington Water Power Company (WWP) applied to the Office of Fossil Energy (FE) of the Department of Energy (DOE), pursuant to section 202(e) of the Federal Power Act (FPA), to amend the existing Order (Order EA-101) authorizing WWP to transmit electric energy to Canada.

WWP is currently authorized to export electric energy to Canada pursuant to two separate export authorizations. On September 2, 1994, FE issued Order EA-98 authorizing WWP and 21 other members of the Western Systems Power Pool (WSPP) to export electric energy to British Columbia Hydro & Power Authority (B.C. Hydro), and other future Canadian members of the WSPP, under the terms and conditions of WSPP's pooling agreement and service schedules approved by the Federal Energy Regulatory Commission (FERC). Exports under this authorization are delivered to Canada over four international transmission lines owned by the Bonneville Power Administration (BPA), also a member of the WSPP. These include: two 500-kilovolt (kV) lines located at Blaine, Washington, and two 230-kV lines at Nelway, British Columbia. The construction and operation of these facilities was previously authorized by Presidential Permits PP-10, PP-46, and PP-36, respectively. Exports under the WSPP order are authorized through September 2, 1996.

On October 17, 1994, FE issued Order EA-101 authorizing WWP to export up to 100 megawatts (MW) of firm capacity and associated energy to West Kootenay Power, Limited for only the months of November, December, January, and February. Exports under this Order are to

be transmitted to Canada over the BPA 230-kV facilities authorized by Presidential Permit PP-36. This authorization expires February 1999.

On May 12, 1995, WWP applied to FE to amend the export authorization granted in Order EA-101 by: (1) increasing the authorized export limit to 400 MW; (2) authorizing exports for all months of the calendar year; (3) removing the expiration date of the export authorization; and (4) adding the BPA facilities authorized by Presidential Permits PP-10 and PP-46 to the list of facilities WWP may use for export.

WWP asserts that amending the export authorization will allow it to more readily respond to the competitive changes taking place in the electric utility industry and that the limits in the existing export authorization create a significant barrier to meeting competitive market opportunities. WWP is seeking an export authorization that will allow it to negotiate contracts for transactions that occur during any month over a period of years. Specifically, WWP is requesting authorization to enter into multiple contracts that could result in exports of up to 400 MW.

Notice of the WWP application appeared in the Federal Register on June 9, 1995, (60 FR 30532) soliciting comments, protests, and petitions to intervene. No responses to this notice were received during the announced 30-day comment period.

FINDING

The DOE has assessed the impact that the proposed amendment would have on the reliability of the U.S. electric power supply system and has determined that the permanent export of electric energy to Canada under the terms and conditions requested by WWP would not impair the sufficiency of electric supply within the United States and would not impede or tend to impede the coordination in the public interest of facilities in accordance with Section 202(e) of the FPA. A staff analysis in support of this finding has been made a part of Docket EA-101-A.

The DOE has also assessed the potential environmental impacts associated with the proposed action and has determined that this action is among those classes of actions not normally requiring preparation of an environmental assessment or an environmental impact statement, and, therefore, is eligible for categorical exclusion under Appendix B to Subpart D, paragraph B4.2 of the revised DOE Regulations implementing the National Environmental Policy Act of 1969. A memorandum documenting the use of this categorical exclusion has been placed in Docket EA-101-A.

ORDER

Based on the above finding, it is hereby ordered that:

(A) The Washington Water Power Company (WWP) is authorized to export electric energy to Canada at a maximum rate of transmission of 400,000 kilowatts. The maximum rate of transmission authorized herein shall be inclusive of any simultaneous transmission of exports occurring pursuant to Order EA-98.

(B) The electric energy which WWP herein is authorized to export shall be transmitted from the United States to Canada over the international transmission facilities previously authorized by Presidential Permits PP-10, PP-36, and PP-46 and which are owned and operated by the Bonneville Power Administration.

(C) By October 1 of each year, WWP shall report to DOE on the expected level of exports to Canada intended under this Order and WWP's plans for serving those exports consistent with all other load obligations and available supply resources. Specifically, the report shall include for each month of the following year (November through October): (1) scheduled capacity sales to Canada; (2) peak load obligations (including native system load and scheduled interchange sales); (3) planned available generating capacity; and (4) scheduled interchange purchases. Upon receipt of the report, DOE shall evaluate the adequacy of WWP's plans to obtain the supply resources needed to sustain the expected exports without impairing the sufficiency of electric power supply

within the United States. Should DOE determine WWP's plans to be inadequate, it will notify WWP in writing within ten (10) days of receipt of the report and provide WWP an additional ten (10) days within which to show cause why exports under this Order should not be suspended.

(D) WWP shall make and preserve full and complete records with respect to the electric energy exported to Canada. WWP shall furnish the DOE an annual report, for the previous calendar year, which will be due on or before February 15th of each year, detailing the transmission of such electric energy, as follows: (1) the gross amount of kilowatt-hours of electric energy delivered; (2) the maximum hourly rate of transmission in kilowatts; and (3) the total consideration received during each month.

(E) Electricity exports authorized herein shall be reduced or suspended, as appropriate, whenever a continuation of those exports would impair or tend to impair the reliability of the U.S. electric power supply system.

(F) The authorization granted herein shall supersede the previous authorization granted in Order EA-101.

Issued in Washington, D.C., October 23, 1995.

Anthony J. Como
Director
Office of Coal & Electricity
Office of Fuels Programs
Office of Fossil Energy